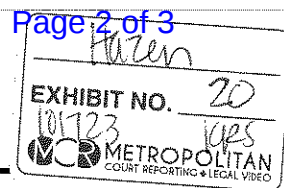


EXHIBIT BL

[PUBLIC VERSION]



Message

From: Imgarten, Jeffrey [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=CB7EE225C63D41DEA12294D68E5BEDB1-J1JBI01]
Sent: 11/14/2022 7:01:56 PM
To: Humston, Tara L [tara.l.humston@kc.frb.org]; Hazen, Judith [judith.hazen@kc.frb.org]; Harwell, Ryan [ryan.harwell@kc.frb.org]; Conley, Amber [amber.conley@kc.frb.org]; Steckline, Michael [michael.r.steckline@kc.frb.org]
CC: May-Oder, Christi [christi.may-oder@kc.frb.org]; Gaul-Pearson, Chris [chris.gaul-pearson@kc.frb.org]; Peters, Lacey [lacey.peters@kc.frb.org]; Crouch, Ross [ross.crouch@kc.frb.org]; Haake, Jenifer [jenifer.haake@kc.frb.org]; McGhee, Ben [ben.mcghee@kc.frb.org]; Crouse, Tyler [tyler.crouse@kc.frb.org]; Parton, Malea [malea.parton@kc.frb.org]; Billman, Nick [nick.billman@kc.frb.org]; Vandivort, Bill [bill.vandivort@kc.frb.org]; Weaver, Myles [myles.weaver@kc.frb.org]; Nugent, Jackie [jackie.nugent@kc.frb.org]
Subject: Initial Draft of Commitments/Conditions for Custodia Bank—Supplemental Information
Attachments: Custodia Proposed Membership Commitments Summary Memo - EI and Applications-11-10-22.docx; Copy of Examiner Regulation Assessment - Final.xlsx

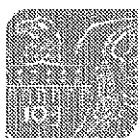
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Colleagues,

As a supplement to the draft version of the commitments/conditions for Custodia Bank that were distributed to the group last week, attached is the examination team's assessment of various regulations that may not apply to Custodia because of the absence of deposit insurance from the FDIC and corresponding recommendations regarding to the extent to which mitigating measures (in the form of commitments or conditions) should be taken to address these regulation gaps. For ease of reference, both the commitments/conditions memo and regulation assessment are attached to this email and will be added to the calendar invite as well.

Thank you,



Jeff Imgarten

Assistant Vice President | Applications & Enforcement

P: 816.881.2073 E: jeffrey.imgarten@kc.frb.org

FEDERAL RESERVE BANK OF KANSAS CITY

1 Memorial Drive · Kansas City, Missouri 64198 · www.kansascityfed.org > > >

From: Imgarten, Jeffrey

Sent: Thursday, November 10, 2022 4:10 PM

To: Humston, Tara L <tara.l.humston@kc.frb.org>; Hazen, Judith <judith.hazen@kc.frb.org>; Harwell, Ryan <ryan.harwell@kc.frb.org>; Conley, Amber <amber.conley@kc.frb.org>; Steckline, Michael <michael.r.steckline@kc.frb.org>

Cc: May-Oder, Christi <christi.may-oder@kc.frb.org>; Gaul-Pearson, Chris <chris.gaul-pearson@kc.frb.org>; Peters, Lacey <lacey.peters@kc.frb.org>; Crouch, Ross <ross.crouch@kc.frb.org>; Haake, Jenifer <jenifer.haake@kc.frb.org>; McGhee, Ben <Ben.McGhee@kc.frb.org>; Crouse, Tyler <tyler.crouse@kc.frb.org>; Parton, Malea <Malea.Parton@KC.FRB.ORG>; Billman, Nick <Nick.Billman@kc.frb.org>; Vandivort, Bill <Bill.Vandivort@kc.frb.org>; Weaver, Myles <Myles.Weaver@kc.frb.org>; Nugent, Jackie <jackie.nugent@kc.frb.org>

Subject: Initial Draft of Commitments/Conditions for Custodia Bank

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Tara, Judith, Ryan, Amber, and Mike,

Pursuant to prior conversations with the Board, Ben McGhee, Ross Crouch, Jenifer Haake, and other examiners involved in the pre-membership examination of Custodia Bank identified various commitments and conditions that may merit consideration in conjunction with our evaluation of the membership application and master account request, respectively. Since these commitments/conditions are unprecedented in several respects and have broad implications, we are sharing a draft version with you for review/discussion prior to providing them to the Board (no definitive timeline, but we would like to send them to the Board soon).

Recognizing there is likely much to discuss, debate, and explain regarding these commitments and conditions, we will set up a meeting next week to see if we can reach some type of consensus regarding our assessments and recommendations. Given the number of stakeholders and the time of year, finding a date/time that will accommodate everyone's schedule is challenging. We will do our best to minimize scheduling conflicts, but if you aren't able to attend, you are welcome to pass along any comments/feedback to the group or let me know directly and we can make sure your input is incorporated. Along those lines, there is undoubtedly someone that I've (inadvertently) failed to include on this message and/or will accidentally omit on the forthcoming calendar invite---recipients can forward either or both as they deem appropriate.

If there are any immediate questions or concerns regarding next steps, please let me know.

Thank you,

**Jeff Imgarten**

Assistant Vice President | Applications & Enforcement

P: 816.881.2073 E: jeffrey.imgarten@kc.frb.org

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